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**Attention: Patrick Wruck, Commission Secretary and
Manager, Regulatory Support**

Dear Sirs/Mesdames:

**Re: FortisBC Inc. ("FBC") Rate Design and Rates for Electric Vehicle Direct Current
Fast Charging Service Application ~ Project No. 1598940**

We are counsel to the Commercial Energy Consumers Association of British Columbia (the "CEC"). The CEC represents the interests of ratepayers consuming energy under commercial tariffs in applications before the British Columbia Utilities Commission (the "BCUC" or the "Commission").

FBC has applied to the Commission for approval of rates and rate design for its Electric Vehicle ("EV") Direct Current Fast Charging ("DCFC") service.

The CEC participated in the proceeding and filed Final Argument on March 31, 2021 and Supplemental Final Argument on April 13, 2021.

On July 14, 2021, the Commission issued Order G-215-21 (Exhibit A-18), which provided approval for FBC to include EV DCFC assets in rate-base and to transfer ownership of certain stations to BC Hydro as requested.

In the same Order the Commission also requested Submissions on the potential adjournment of the proceeding.

The Reasons for Decision note that BC Hydro applied on March 5, 2021 for approval of BC Hydro Public Electric Vehicle Fast Charging Service Rates ("BC Hydro Application")

The Commission stated:

“Since this is the first time the BCUC will be approving rates on a permanent basis for public utilities to provide EV charging service in B.C., the Panel finds that it is important to look at the larger landscape and provide a thoughtful approach to ensure reasonableness in the rates and consistency, where warranted, in rate setting across public utilities.

In the BCUC’s EV Charging Service Inquiry Phase 2 Report, the BCUC found that while there are opportunities for the participation of non-exempt utilities in the EV DCFC market, regulatory oversight can help to mitigate ratepayer risk and potential impact on exempt utilities. FBC and BC Hydro are currently the only non-exempt utilities that have applied for approval for rate design and rates to provide EV charging service in B.C., and together their EV DCFC stations make up a sizeable portion of B.C.’s EV DCFC market.”¹

Considering that there are still issues to be canvassed in the BC Hydro Application, the Panel therefore requested submissions from participants on the following:

- i. Whether the FBC proceeding should be adjourned until the BC Hydro Application proceeding has concluded; and
- ii. If the FBC proceeding is adjourned, whether the interim rates should be amended from the existing \$0.30 per minute rate to the proposed \$0.26 per minute at 50 kW stations and \$0.54 per minute at 100 kW stations as updated in the Revised Application and amended during the course of the proceeding.²

The Commission goes on to note that, given the Commission’s approvals for the inclusion of assets in rate-base and the transfer of EV charging stations, FBC would not suffer any disadvantage from an adjournment of the proceeding.

The CEC has had the benefit of reviewing FBC’s response in this matter.

FBC does not consider an adjournment to be warranted, and points out that the level of interest in FBC’s proceeding is commensurate with its size, customer base and EV charging program.

FBC further states that the BCUC is required to make a decision based on the evidentiary record in this proceeding alone.³

¹ Order G-215-21 Reasons for Decision page 2 of 4

² Order G-215-21 Reasons for Decision page 2 of 4

³ Exhibit B-22, page 2.

The CEC provides the following comments in response to the Commission's request for Submissions.

1. Whether the FBC proceeding should be adjourned until the BC Hydro Application proceeding has concluded

In general, the CEC agrees with FBC that the Commission can and should make a decision based on the current evidentiary record.

While the CEC appreciates that there may be advantages arising from having access to information canvassed in the BC Hydro Application when making a decision for FBC, the CEC notes that the situation of improved information arising from additional proceedings is one that occurs regularly as the utilities cycle through various applications of rate design, revenue requirements, long-term resource planning, etc.

Similarly, there are differences between FBC and BC Hydro that inevitably occur as a result of having a small electric utility operating in the larger landscape of the Crown Corporation utility.

The CEC submits it is not necessary, and could be counterproductive from a regulatory efficiency perspective, to continually adjourn proceedings based on evidence from other proceedings unless there is a material issue that requires remediation.

The CEC recognizes the value in developing a comprehensive approach to EV charging rates in BC, but notes that to the extent the Commission makes findings in the BC Hydro Application decision that are strongly incompatible with those from the FBC decision in this proceeding, the Commission retains the right to initiate a proceeding to update FBC's rates and rate design, which could potentially be undertaken in the Annual Review.

Section 58(1) and (2) of the *Utilities Commission Act* ("UCA") permits the Commission, on its own motion, to determine the just, reasonable, and sufficient rates to be set and in force, and to set the rates accordingly.

The CEC expects that there may well be changes to the rate design in any case once Measurement Canada approves relevant metering technology permitting charging based on energy use (kWh).

The CEC does find the issue regarding technology obsolescence to be of concern.

The CEC submits that to the extent the Commission finds issues of technological obsolescence and the risk of stranded assets to be material for both BC Hydro and FBC, it could be appropriate for the Commission to review its FBC Decision in the future.

The CEC notes that the issue of public utilities providing EV charging services, and potentially undermining the competitive market with their utility monopoly capabilities, is a significant issue in the BC Hydro Application proceeding.

The CEC finds the evidence in the BC Hydro Application to be less than adequate on this subject. There is evidence in the BC Hydro proceeding that the private sector marketplace has a demonstrated concern with regard to BC Hydro's proposed pricing.

Given the uncertainties with respect to this issue in the BC Hydro EV charging proceeding, there is inadequate evidence to suggest that the FBC proceeding should be adjourned for this issue.

The CEC recommends that the Commission proceed with its Decision based on the current evidentiary record, and not adjourn the proceeding.

2. If the FBC proceeding is adjourned, whether the interim rates should be amended from the existing \$0.30 per minute rate to the proposed \$0.26 per minute at 50 kW stations and \$0.54 per minute at 100 kW stations as updated in the Revised Application and amended during the course of the proceeding⁴

The CEC submits that if the proceeding is adjourned, the interim rates should be updated based on the existing evidentiary record.

The CEC considers that the benefit of keeping rates 'as is' until the conclusion of the BC Hydro Application proceeding would be in managing rate stability. That is, the requested decrease, followed shortly by an increase as a result of the BC Hydro proceeding, could contribute to customer confusion.

However, the CEC does not find any specific evidence on the record of either proceeding to suggest that the FBC rates as proposed would change dramatically based on evidence in the BC Hydro proceeding.

The CEC notes that FBC is intending to recover its cost of service on a levelized basis, which suggests approval of the rates may be sustainable in the longer term.

Finally, the CEC notes that FBC's proposed rate change is not significantly different from the existing rates and does not represent a dramatic shift in prices for EV drivers.

Accordingly, the CEC does not find that there is significant benefit to be found in keeping the rate status quo.

The CEC recommends that the Commission make a decision based on the evidentiary record, and amend the rates even under an adjournment scenario.

⁴ Order G-215-21 Reasons for Decision page 2 of 4

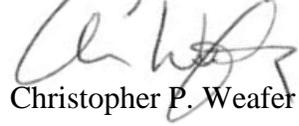
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All of which is respectfully submitted.

Yours truly,

OWEN BIRD LAW CORPORATION



Christopher P. Weafer

CPW/jj

cc: CEC

cc: FortisBC Inc.

cc: Registered Interveners